

Division of Welfare

Analyst: Burns

Historical Summary

OPERATING BUDGET	FY 2003 Total App	FY 2003 Actual	FY 2004 Approp	FY 2005 Request	FY 2005 Gov Rec
BY PROGRAM					
Self-Reliance Programs	104,737,200	95,354,300	103,369,900	107,921,500	106,580,300
TAFI/AABD Benefit Payments	15,154,800	13,399,400	13,639,400	15,676,200	15,383,900
Total:	119,892,000	108,753,700	117,009,300	123,597,700	121,964,200
BY FUND CATEGORY					
General	33,835,000	30,985,600	32,471,900	34,306,700	33,535,300
Dedicated	2,966,000	2,396,100	2,914,000	2,632,100	2,632,100
Federal	83,091,000	75,372,000	81,623,400	86,658,900	85,796,800
Total:	119,892,000	108,753,700	117,009,300	123,597,700	121,964,200
Percent Change:		(9.3%)	7.6%	5.6%	4.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	27,074,600	24,569,100	24,580,900	27,312,700	27,562,800
Operating Expenditures	22,105,800	17,770,700	22,043,500	22,536,800	22,272,000
Capital Outlay	51,000	154,900	0	248,300	0
Trustee/Benefit	70,660,600	66,259,000	70,384,900	73,499,900	72,129,400
Total:	119,892,000	108,753,700	117,009,300	123,597,700	121,964,200
Full-Time Positions (FTP)	631.08	564.70	560.20	564.81	564.81

Division Description

The Division of Welfare administers Temporary Assistance for Families in Idaho (TAFI), which is the welfare reform version of the old AFDC and JOBS programs. This is a time-limited cash assistance and supportive services program with an emphasis on self-reliance and personal responsibility. Additional assistance provided by this program is the Idaho Child Care program, Aid to the Aged, Blind, and Disabled, Food Stamps, Refugee Assistance and Medicaid eligibility. Also included is the administration of the Community Service Block Grant, Low Income Energy Assistance, Low Income Weatherization Assistance, Emergency Food Assistance and Telephone Assistance programs. The Child Support program is responsible for establishing and enforcing child support orders and medical support orders, modifying child support orders to ensure that support awards remain comparable to changes in parental income, and collecting child support for TAFI cases, non-TAFI cases and foster care cases. These collections are used to reimburse the state and federal government for TAFI and foster care expenditures, or to pass on to the custodial parents on the non-TAFI cases.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2004 Original Appropriation	560.20	32,471,900	117,009,300	560.20	32,471,900	117,009,300
Reappropriations	0.00	0	373,700	0.00	0	373,700
1. CHIP Access Card Eligibility	20.00	126,700	281,600	20.00	126,700	281,600
Other Approp Adjustments	0.00	0	0	0.00	0	0
FY 2004 Total Appropriation	580.20	32,598,600	117,664,600	580.20	32,598,600	117,664,600
Non-Cognizable Funds and Transfers	(15.39)	(325,000)	2,570,900	(15.39)	(325,000)	2,570,900
FY 2004 Estimated Expenditures	564.81	32,273,600	120,235,500	564.81	32,273,600	120,235,500
Removal of One-Time Expenditures	0.00	(3,400)	(3,559,000)	0.00	(3,400)	(3,559,000)
Base Adjustments	0.00	300,000	300,000	0.00	300,000	300,000
FY 2005 Base	564.81	32,570,200	116,976,500	564.81	32,570,200	116,976,500
Personnel Cost Rollups	0.00	320,900	713,000	0.00	320,900	713,000
Inflationary Adjustments	0.00	833,500	1,790,200	0.00	0	0
Replacement Items	0.00	120,200	248,300	0.00	0	0
Nonstandard Adjustments	0.00	(69,700)	2,689,600	0.00	0	2,844,500
Annualizations	0.00	421,200	936,000	0.00	421,200	936,000
Change in Employee Compensation	0.00	109,900	244,100	0.00	222,500	494,200
Fund Shifts	0.00	500	0	0.00	500	0
FY 2005 Total	564.81	34,306,700	123,597,700	564.81	33,535,300	121,964,200
Change from Original Appropriation	4.61	1,834,800	6,588,400	4.61	1,063,400	4,954,900
% Change from Original Appropriation		5.7%	5.6%		3.3%	4.2%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2004 Original Appropriation	560.20	32,471,900	2,914,000	81,623,400	117,009,300

Reappropriations

Reappropriation authority--otherwise known as 'carry over'--allows unspent funds from the prior fiscal year to be carried over and spent in the current fiscal year. 'Carry over' requires specific legislative authorization and must be approved every year. Few appropriations receive reappropriation authority.

Agency Request	0.00	0	373,700	0	373,700
Governor's Recommendation	0.00	0	373,700	0	373,700

1. CHIP Access Card Eligibility

House Bill 376, which was effective July 1, 2003, added a CHIP Access Card Program to the Department of Health and Welfare. The new costs and additional eligibility staff shown here are necessary in order for the Department to start the benefit payments on July 1, 2004. These new positions will be filled for six pay periods in fiscal year 2004 and will be on-going.

ANALYST COMMENT: The statement of purpose in House Bill 376, indicated that there was no fiscal impact on the state's General Fund; and that the Idaho Health Insurance Access Card program would be funded by a portion of the Idaho Insurance Premium Tax, matching federal funds, grants, donations, moneys from other sources, and earned interest income. However, it should be noted that funding from the Insurance Premium Tax will not be made available until June 2004, which impacts the departments ability to have this new program in place by July 1 unless other resources are provided in advance of the startup date.

Agency Request	20.00	126,700	0	154,900	281,600
Governor's Recommendation	20.00	126,700	0	154,900	281,600

Other Approp Adjustments

Realigns FTP between fund sources for future reporting purposes.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2004 Total Appropriation					
Agency Request	580.20	32,598,600	3,287,700	81,778,300	117,664,600
Governor's Recommendation	580.20	32,598,600	3,287,700	81,778,300	117,664,600

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Non-Cognizable Funds and Transfers

FTP ADJUSTMENTS: Last session, the legislature eliminated 100 unfunded vacant positions in the department with the total reduction taken from Indirect Support Services. Of this number, a total of 85.01 FTP were subsequently allocated out to other divisions within the department. The allocated reduction from these unfunded vacant positions for the Division of Welfare amounted to 19.89 FTP. In addition, the Governor approved restoration of 4.5 of these FTP used to determine eligibility for Medicaid and Food Stamps. This was done because Idaho was not selected to participate in a federal pilot program that shifted eligibility determination to them for those individuals qualifying under the Supplemental Security Income (SSI) program. The fiscal year 2004 appropriation assumed we would have been selected to participate. [Net Change: -15.39]

GENERAL FUND ADJUSTMENTS: Transferred \$300,000 in General Funds to Indirect Support Services for developing a Case Management Information System, and \$25,000 to Children's Services for funding a tribal relations manager.

DEDICATED FUND ADJUSTMENTS: Spending authority is decreased by \$281,900 due to uncollectible receipts.

FEDERAL FUND ADJUSTMENTS: Includes \$1,744,500 in the Temporary Assistance for Families in Idaho Grant (TAFI); \$1,100,000 in the Self-Reliance programs to realign federal dollars to the amount generated by program activities; and \$333,300 in increased federal match for Food Stamp quality and for match related to the carryover of unexpended funds from the previous fiscal year. [Net Change: +3,177,800].

Agency Request	(15.39)	(325,000)	(281,900)	3,177,800	2,570,900
Governor's Recommendation	(15.39)	(325,000)	(281,900)	3,177,800	2,570,900

FY 2004 Estimated Expenditures					
Agency Request	564.81	32,273,600	3,005,800	84,956,100	120,235,500
Governor's Recommendation	564.81	32,273,600	3,005,800	84,956,100	120,235,500

Removal of One-Time Expenditures

Remove funding provided for one-time items.

Agency Request	0.00	(3,400)	(373,700)	(3,181,900)	(3,559,000)
Governor's Recommendation	0.00	(3,400)	(373,700)	(3,181,900)	(3,559,000)

Base Adjustments

Restores one-time transfer of funds from Self-Reliance to Indirect Support for the development of a Case Management Information System.

Agency Request	0.00	300,000	0	0	300,000
Governor's Recommendation	0.00	300,000	0	0	300,000

FY 2005 Base					
Agency Request	564.81	32,570,200	2,632,100	81,774,200	116,976,500
Governor's Recommendation	564.81	32,570,200	2,632,100	81,774,200	116,976,500

Personnel Cost Rollups

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are: health insurance rates which are projected to increase by 17 percent, from \$5,548 to \$6,493 per employee; and retirement system (PERSI) rates that will increase by over 6% to 10.39 and 10.73 percent of salary for regular and police/firefighter members, respectively.

Agency Request	0.00	320,900	0	392,100	713,000
Governor's Recommendation	0.00	320,900	0	392,100	713,000

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments					
Includes a general inflationary increase of 1.9% in operating expenditures and trustee/benefit payments.					
Agency Request	0.00	833,500	0	956,700	1,790,200
<i>The Governor recommends no increase for general inflation.</i>					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
Includes \$166,400 (\$83,300 General Fund) to replace eight vehicles and \$81,900 (\$36,900 General Fund) to replace 130 desktop computers and 33 monitors.					
Agency Request	0.00	120,200	0	128,100	248,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
Nonstandard Adjustments					
Provides \$1,744,500 in increased federal cash assistance payments under the Temporary Assistance for Families in Idaho (TAFI), and \$1,100,000 for enhanced ongoing federal funds to more accurately reflect the funds generated in the Self-Reliance programs. It also includes a reduction of \$154,900 (\$69,700 General Fund) due to adjustments in building service space charges.					
Agency Request	0.00	(69,700)	0	2,759,300	2,689,600
<i>The Governor recommends no adjustment to building space charges for state agencies</i>					
Governor's Recommendation	0.00	0	0	2,844,500	2,844,500
Annualizations					
Annualizes the supplemental request for implementing the CHIP Access Card program.					
Agency Request	0.00	421,200	0	514,800	936,000
Governor's Recommendation	0.00	421,200	0	514,800	936,000
Change in Employee Compensation					
Reflects the cost of a 1% salary increase for permanent and group positions.					
Agency Request	0.00	109,900	0	134,200	244,100
<i>The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.</i>					
Governor's Recommendation	0.00	222,500	0	271,700	494,200
Fund Shifts					
Shifts moneys from federal funds to the General Fund due to a change in the composite Federal Medical Assistance Participation (FMAP) rate, which has gone from 70.585% to 70.580%.					
Agency Request	0.00	500	0	(500)	0
Governor's Recommendation	0.00	500	0	(500)	0
FY 2005 Total					
Agency Request	564.81	34,306,700	2,632,100	86,658,900	123,597,700
Governor's Recommendation	564.81	33,535,300	2,632,100	85,796,800	121,964,200
Agency Request					
Change from Original App	4.61	1,834,800	(281,900)	5,035,500	6,588,400
% Change from Original App	0.8%	5.7%	(9.7%)	6.2%	5.6%
Governor's Recommendation					
Change from Original App	4.61	1,063,400	(281,900)	4,173,400	4,954,900
% Change from Original App	0.8%	3.3%	(9.7%)	5.1%	4.2%